



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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March 1, 2002

CERTIFIED RETURN RECEIPT

7099 3400 0016 8896 4073

Bruce Anderson
Authorized Agent
Northshore Limited Partnership
Mineral Resources International Mining
1990 West 3300 South
Ogden, Utah 84401

Re: Change Required on Certificate of Deposit and Five-Year Review of Reclamation Surety Estimate, Northshore Limited Partnership (Mineral Resources International), Northshore Natural Processing Project, M/003/037, Box Elder County, Utah

Dear Mr. Anderson:

This letter has a two-fold purpose. One is regarding a change that was required on the existing Certificate of Deposit # _____ originally issued by First Security Bank. *The account number was changed by Wells Fargo Bank to CD # _____ when the two banks merged.* The second purpose is in regard to the Division's standard five-year reclamation surety reviews.

Certificate of Deposit

Richard Ellis, Chief Deputy State Treasurer, Office of State Treasurer, State of Utah, recently notified us that a change in the Tax ID number was necessary for CD # _____ (now # _____). Although the Division Tax ID # and Mineral Resources Tax ID # were included on the Division's April 4, 1996 letter to First Security Bank, the bank had only placed the Division's Tax ID number on the CD. State policy indicates that the company's Tax ID number be tied to the account instead of the state's Tax ID number. This policy is designed to ensure that accrued interest on the account is recorded and directed back to the company's account and not to the state.

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We subsequently requested that Wells Fargo Bank change the State Tax ID number on the CD account to North Shore's Tax ID number. They informed us that they could only do so by closing out the original CD and issuing a new one. The CD was due to mature in March. Wells Fargo informed us that there would be no penalty making the change at this time.

The replacement CD # [redacted] has been issued in the name of Northshore Limited, for the benefit of the State of Utah, Division of Oil, Gas and Mining. A copy is attached for your records. The new CD account balance is \$5,018.95. This is the original amount of surety (\$3,800) plus accrued interest to date.

Reclamation Surety Review

As you are aware, the Division reevaluates reclamation surety estimates every five years. Northshore Limited's surety was originally estimated in 1996 and was due for review in 2001. The surety estimates are reviewed to verify their accuracy. We make adjustments for escalation and any site modifications that may require a change in the amount of reclamation surety presently being held for the site. Division policy requires that reclamation surety estimates being held by the Minerals Reclamation Program include a five year escalation component.

To assist us in our review of this cost estimate, we request an updated map of your mine site showing current surface facilities and all mining related disturbances. Please provide the updated map at a scale of not less than 1 inch = 500 feet, which includes: buildings, stationary mining/processing equipment, roads, utilities, power lines, drainage structures (i.e. berms, culverts, ditches, canals, etc.), topsoil, ore and product storage areas, overburden/waste dumps, tailings or processed waste facilities, solid and liquid wastes, evaporation ponds, and wastewater discharge treatment and containment facilities, etc. This map should include all areas which have been affected by this operation to date. Please ignore items listed above which do not apply to your site.

If any reclamation has been completed on the site since the last surety estimate review, please provide a separate map of the same scale as the mine facilities and disturbed area map, clearly identifying these reclaimed areas, the acreage affected, and the date of the reclamation. Please cross-hatch or shade the areas to identify the reclamation treatments (i.e. ripping, regrading, mulching, seeding, etc.) which have been applied.

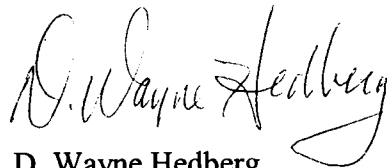
Please provide this information within the next 60 days or no later than April 30, 2002. If you are unable to provide this information in this timeframe, please contact the Division with justification for requesting additional time.

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Wells Fargo Bank has prepared a new CD with the appropriate Tax ID number. When the 5-year surety review is finalized, Wells Fargo Bank could amend the CD account to the correct dollar amount.

Thank you for providing this information to assist us in completing the surety estimate review. If you have any questions concerning this letter or the reclamation surety review, please contact me at (801) 538-5286 or Doug Jensen at (801) 538-5382.

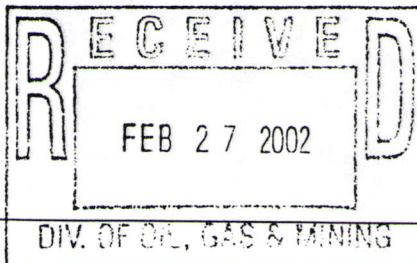
Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg". The signature is written in dark ink and is positioned above the printed name.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: Copy of replacement CD # _____
cc: Wells Fargo Bank, Clinton Branch
Karl Kappe, Forestry, Fire & State Lands w/copy of CD
M03-37-5-yr.doc

Time Account Receipt/Disclosure



~~7400186040~~

WELLS
FARGO

m/003/037

Bank name

Wells Fargo Bank Northwest, N.A.

Time Account number

~~7400186040~~

Maturity date

Your Time Account will mature on

02/21/2005

Interest will be paid

Date opened

02/21/2002

Interest rate

3.44

Fixed rate

Term of Time Account

36 ** months

days

Variable rate

X

Annual percentage yield

3.50

EVERY 01 MONTHS AND AT WITHDRAWAL

The method of interest payment will be

BY ADDING TO PRINCIPAL

Renewability

YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT
AT MATURITY UNLESS I NOTIFY YOU OTHERWISE.

The Bank is opening the above described Time Account for your deposit of

FIVE THOUSAND EIGHTEEN AND 95/100

Your name and address

Taxpayer Identification Number (TIN)

~~7400186040~~

\$ 5,018.95

**TRADE-A-RATE OPTION

NORTHSHORE LIMITED FOR THE BENEFIT OF THE STATE OF UTAH DIVISION OF
OIL, GAS & MINING. Northshore Natural Processing Mine - M/003/037
PO BOX 145801
SALT LAKE CITY UT 84114-5801

02/21/2002 11:14

U7088 02773 Bank# 00119

This is a receipt. It need not be presented at the time you obtain payment from the Bank.

W60168

CEB 60167 (6-01-43234)